

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industrial Water Supply – Permission for the drawl of 10 MGD of water from Kanigiri Reservoir by M/s IFFCO Kisan SEZ at Racharlapadu (V) in Kodavalur (M) of Nellore District for consumptive use for industrial purpose – Accorded – Orders – Issued.

IRRIGATION & CAD (PW-REFORMS) DEPARTMENT

G.O.Ms.No. 8

Dated: 25-01-2010

Read the following:-

1. G.O.Ms.No. 232, Irrigation & CAD (Irr.VII.I)Department dt. 27-7-1995.
2. G.O.Ms.No. 132, Irrigation & CAD (Irr.VII.I)Department, dt. 10-9-1997.
3. G.O.Ms.No. 371, Irrigation & CAD (Irr.VII.I)Department, dt.24-11-1998.
4. From the ENC(Irrigation), I&CAD Dept. Hyderabad, Lr.No. ENC(I)/DCE.IV/OTM8/AE4/IFFCO/08, dt. 15-11-2008.
5. From the ENC(Irrigation), I&CAD Dept. Hyderabad, Lr.No. ENC(I)/DCE.IV/OTM8/AE4/IFFCO/08, dt. 14-09-2009.

ORDER:

In the G.O. first read above, permission was accorded to M/s IFFCO Limited to draw 6 MGD of water from Kanigiri Reservoir for their Urea Fertilizer Project Plant at Racharlapadu Village in Kodavalur (M) of Nellore District. This permission was further enhanced to 10 MGD of water vide G.O. second read above with stipulation to draw 6 MGD water from Kanigiri Reservoir and 4 MGD from Somasila Reservoir by way of supplementation from 2000 AD onwards . Based on the report furnished by ENC (Irrigation), Government in G.O. third read above Department dated 24-11-1998 issued orders permitting M/s IFFCO to draw 10 MGD water for 30 years.

2. The firm M/s IFFCO Kisan SEZ Limited in their representation dated 15.5.2008 has requested for supply of 15 MGD of water from Kanigiri Reservoir keeping in view the orders issued by Government and issue fresh recommendation for 15 MGD water and allow them to enter into an agreement for the same. The ENC has stated that in his letter dt. 7-8-2008 M/s IFFCO has not availed the permission granted in G.O.Ms.No.371, dated 24.11.1998 till to date and has also not signed the agreement, for the reason that IFFCO had dropped the proposal to construct Fertilizer Plant conceived originally. He has further reported that the improvements to Kanigiri Reservoir, and its main canal are covered under modernization of Pennar Delta and a new Barrage is also being taken up in place of existing Sangam Anicut from which water has to be drawn into Kanigiri Reservoir. After observing the performance of the proposed new Barrage at Sangam, functioning of Kanigiri main canal, Kanigiri Reservoir, the additional requirement of 5 MGD given to IFFCO can be considered at a later date i.e. by 2012 AD and till such time the firm can limit their requirement to 10 MGD, which was already permitted by the Government.

3. In the reference 4th read above, the ENC has informed that the IFFCO Kisan SEZ was registered exclusively for development, operation and maintenance of the Multi Product SEZ at Nellore and enclosed the relevant certificate of incorporation of IFFCO Kisan SEZ Limited under the Companies Act 1956 . It is further stated that the primary objective of M/s IFFCO Kisan SEZ is provide state of the art infrastructure facilities to industries such as Food & Agro processing and secondary industries such as Auto-mobile component etc. The project is also intended to provide a logistics zone consisting of farmer friendly facilities such as Ware Housing cold Storage facilities for storing the farmers produce, to avoid distress sale and food processing zone with various units, Agri Bio-Tech Park, R&D services to the door step of farmers, Demo centers, training plots, green houses, Model dairy forms, incubation centers, Distribution Center, High way Rural Mart, Health care centre etc. In order to meet the Electrical Power requirement of process industries, the IFFCO Kisan SEZ proposed to set up a captive power plant of 250 MW capacities in the project site. The total estimated Water requirement for above industrial units is 15 MGD.

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4. The Industries & Commerce Department who are consulted in the matter, have stated that since the Govt. of India have accorded approval for setting up a Kissan SEZ in the land in favour of IFFCO, they have agreed the proposal of the Department for a period of 10 years as per practice in vogue subject to payment of water rate as stipulated in G.O.Ms.No. 39, I&CAD Dept. dt. 2-4-2002 and subject to revision of water rates by Govt. from time to time. The orders issued in the G.Os (1) G.O.Ms.No. 371, I&CAD Dept. dt. 24-11-1998 (2) G.O.Ms.No. 232, I & CAD Dept. dt. 27-7-1995 and (3) G.O.Ms.No. 132, I&CAD Dept. dt. 10-9-1997 require cancellation and supply of 10 MGD to the M/s IFFCO Kisan SEZ Ltd., Nellore has to be considered afresh.

5. In the reference 5th read above, the ENC has informed that in view of the firms request made for fresh recommendation for the supply of 15 MGD of water, it is desirable to cancel all the earlier permissions accorded to IFFCO for the then Urea Fertilizer plant in G.O.Ms.No.232 I&CAD (Irrigation VII-1) Department Dt.27-7-95, G.O.Ms.No.132 Dt.10-9-97 and G.O.Ms.No.371 Dt.24-11-98 and to examine the proposals afresh keeping in view the present status of Kanigiri reservoir, functional aspects of Sangam Anicut, Somasila Reservoir and water availability and the effect if any on the existing Ayacut getting irrigated under Kanigiri Reservoir. The ENC (Irrigation) has requested that necessary orders of Government be communicated to permit M/s IFFCO Kisan SEZ Limited Nellore to draw 10 MGD of water from Kanigiri Reservoir to their project site of payment of water royalty on consumptive basis as per G.O.Ms.No.39 I & CAD (PW-QC & IWS/ COD) Department Dt.2.4.2002.

6. All the earlier permissions accorded to M/s IFFCO for drawal of water from Kanigiri Reservoir in (i) G.O.Ms.No. 232, I & CAD (Irrgn. VII-1) Dept. dt.27.7.1995 (ii) G.O.Ms.No. 132, Irrgn. & CAD (Irrgn. VII-1) Dept. dt. 10-9-1997 and (iii) G.O.Ms.;No. 371, Irrgn. & CAD (Irrgn. VII) Dept. dt. 24-11-1998 are hereby cancelled.

7. In the circumstances reported by the Engineer-in-Chief (Irrigation) in the references 4th and 5th read above, Govt. hereby accord permission for drawal of 10 MGD of water from Kanigiri Reservoir, Nellore District by M/s IFFCO Kisan SEZ Ltd., Nellore, subject to the following conditions:-

- (1) The water will be spared on the availability of water in the Kanagiri Reservoir.
- (2) The entire cost of construction of pump-house, pipelines excavation etc. should be borne by the user only.
- (3) Water meters or suitable measuring devices should be installed by the Industry at their own cost to measure the water consumed and should be made available to the Department authorities and the representatives of the user shall be present at the time of inspection.
- (4) The industry should pay water rate at the existing rates and subject to revision by the Government from time to time. In case of failure to pay water rate / royalty, the permission to draw water shall stand cancelled.
- (5) No field bodhi or pipeline shall be taken through or along with Government land without approval of the competent authority. The lease amount should be paid as fixed by the Government.
- (6) The Industry shall obtain the prior concurrence of concerned Departments for laying pipelines crossing etc.
- (7) The Industry should make their own arrangements for supplementation of water in their premises only.
- (8) The Industry should make their own arrangements to dispose the treated effluents as per norms of Andhra Pradesh Control Board in their premises only and should obtain prior permission if any needed from Government to dispose treated effluents in the natural sources.
- (9) The Irrigation Department reserves the right for cancellation of the permission without assigning any reasons thereof.

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- (10) The Irrigation Department is no way responsible for non-supply of water due to any reason.
- (11) The firm must acquire the private land for installation of pumping arrangements.
- (12) The water drawn from the Kanigiri Reservoir should be utilized for the purpose for which permission is granted and any misuse in this regard will entail cancellation for the permission without any notice and the firm is liable for imposition of penalty.
- (13) The Industry should follow the Revenue Board Standing Orders.
- (14) The Industry shall pay security deposit at 2.5% on ten years water charges for which permission is granted.
- (15) The permission shall be for a period of 10 (ten) years only. The permission has to be renewed well in advance before the expiry of permission
- (16) The Industry shall pay one year water charges as advance before entering into agreement.
- (17) The Industry should pay water charges at the rate of Rs.4.50 per 1000 gallons, as per G.O.Ms. No.39, I &CAD Dept, dt:02-04-2002.**
- (18) The Industry should make its own arrangements for summer storage during the canal closure periods.
- (19) M/s IFFCO Kisan SEZ Ltd., has to conclude an agreement with the concerned Superintending Engineer, Irrigation Circle, Nellore.
- (20) A detailed plan showing the location, the intake arrangements, details of pump-house, conveyance system etc., shall be furnished to Chief Engineer, CDO., and his prior concurrence shall be obtained.
- (21) The Industry shall abide any other conditions laid down by the Government / Department from time to time.
- (22) The firm has to pay the water charges for the estimated quantity in advance at the start of the financial year i.e., before 10th April every year.
8. The Engineer-in-Chief (Irrigation) shall take further necessary action in the matter accordingly.
(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

RAJIV RANJAN MISHRA
SECRETARY TO GOVERNMENT

To
The Engineer-in-Chief (Irrigation), I&CAD, Jalacoudha Building, Errumanzil, Hyderabad.
The Engineer-in-Chief (TGP), Srikalakhasti, Chittoor District.
The Superintending Engineer (Irrigation Circle), Nellore.

Copy to:

M/s IFFCO, Nellore project, 10-5-22, Masab Tank, Hyderabad -500028
The Industries & Commerce (INF) Department.
SF/SC.

// FORWARDED :: BY ORDER //

SECTION OFFICER